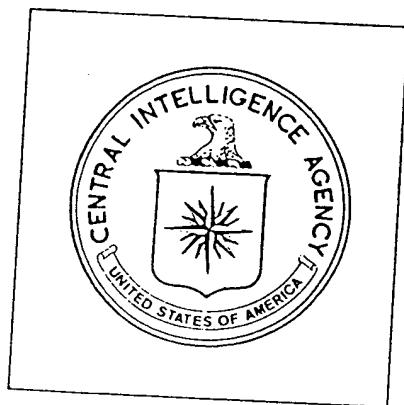


8003

~~SECRET~~



CIA HISTORICAL REVIEW PROGRAM
RELEASE AS SANITIZED
1998

Shipping to Cuba in 1972 and Trends in 1973

~~SECRET~~

June 1973

Copy No.

53

Foreword

This is one of a series of reports published since 1962 that analyze the number and registry of merchant ships arriving in Cuban ports and the level and composition of imports and exports. The statistics are obtained by aggregating data on individual voyages. The volume of cargo is expressed in metric tons. Dry cargo data include tonnage carried on passenger ships as well as on dry cargo ships. Yugoslav shipping is included in non-Communist shipping, and Albania is included in Eastern Europe. Data for 1972 and 1973 are preliminary. Because of rounding, components may not add to totals shown.

~~SECRET~~

SHIPPING TO CUBA IN 1972 AND TRENDS IN 1973

Summary

1. In 1972, Cuba's total seaborne trade approached 15.7 million metric tons, 8% below the volume in 1971 (see the following tabulation and Tables 1-9 in the Appendix). Whereas imports increased slightly, exports plummeted, with sugar shipments falling 1.4 million tons.

	<u>Thousand Metric Tons</u>				<u>Percentage Change 1972 Over 1971</u>
	1965	1970	1971	1972	
Seaborne					
trade	13,906	18,299	17,069	15,651	-8
Imports	7,953	10,829	11,138	11,269	1
Exports	5,953	7,470	5,931	4,382	-26

2. Communist countries continued to account for more than three-fourths of Cuba's total seaborne trade. The USSR alone supplied more than 80% of total imports and took 25% of total exports.

3. Data through May suggest that imports will rise by 150,000 to 200,000 tons in 1973 and that exports will include possibly 600,000 additional tons of sugar.

Discussion

Imports

4. Cuba's imports grew only 1% in 1972, down from the 3% average annual growth rate of recent years. The sharp decline in exports was primarily

Note: Comments and queries regarding this publication are welcomed. They may be directed to "the Office of Economic Research,

~~SECRET~~

~~SECRET~~

responsible for the slowdown. Petroleum and food-stuffs accounted for three-fourths of the imports, similar to the proportion for the last decade. Although fertilizer imports were up from 1971, they remained well below the levels of 1967-70 when Havana was using large amounts of fertilizer in preparation for the 1970 sugar drive. Imports of cement slumped to their lowest level since 1965, reflecting a sharp increase in domestic production.

5. Crude oil and petroleum products (6.8 million tons) continued to account for about 60% of Cuba's imports. Two-thirds of petroleum imports consisted of crude oil (4.5 million tons), and the remainder was petroleum products. In recent years, most of the growth in petroleum imports has been in products because Cuba's refining capacity has not been expanded to keep pace with demand. Almost all of Cuba's needs are met by petroleum originating in the USSR. As much as 10% of crude oil imported formerly came from Egypt's El Morgan field on Soviet account. These shipments fell sharply in 1972 when El Morgan production declined. In 1972, crude oil arrived from Iraq's nationalized fields for the first time, also on Soviet account.

Military Deliveries

6. Seven Soviet ships delivered about 10,000 tons of military equipment to Cuba in 1972, 2,000 tons less than in 1971 and the lowest amount since 1968.* One new weapons system was introduced, the Osa-class guided-missile patrol boat. Other major military deliveries included four Fishbed MIG-21Js and 60 oxidizer tanks associated with the SA-2 missile system -- the first such identified delivery since October 1970. Even though most of Cuba's weapons and support equipment need upgrading, the pattern of deliveries over the last four years suggests a Soviet commitment only to a minimum replacement program.

* For details on arms deliveries to Cuba in 1972 and annual levels during the preceding decade, see ER IM 73-8, Soviet Seaborne Military Deliveries to Cuba in 1972, January 1973, ~~SECRET~~

~~SECRET~~

~~SECRET~~

Exports

7. At about 4.4 million tons, exports were down sharply for the second consecutive year, to their lowest level in nine years. The continued deterioration of Cuba's export position came in the wake of the second worst sugar harvest under Castro, which led to the drop in sugar exports from 5.0 million tons in 1971 to 3.6 million tons in 1972. This drop accounted for nearly all of the falloff in seaborne trade in 1972 (see Tables 6 and 7).

8. For the first time in four years, sugar exports to non-Communist countries fell substantially below the 2-million-ton level--to 1.6 million tons. In past years, Cuba has sought to maintain sugar deliveries to non-Communist trading partners, mainly at the expense of shipments to the USSR. The 1972 shortfall was so serious, however, that deliveries to both non-Communist and Communist countries suffered. Japan remained the major non-Communist importer of Cuban sugar, receiving more than half the non-Communist tonnage. Of the 2 million tons shipped to Communist countries, the USSR took slightly over 1 million tons. Although sugar sales to all Communist trading partners declined, deliveries to Poland were up 70,000 tons, reflecting increased transshipment to other East European countries through Polish ports.

Ship Activity

9. In 1972, 1,033 ships arrived in Cuban ports, down 8% from last year. Communist arrivals, bolstered by an increase in Soviet dry cargo ships, rose slightly to 765 in 1972; non-Communist arrivals declined 42% to only 139 calls. The sharp drop in non-Communist shipping to Cuba reflected a falloff in trade with Western Europe. Calls by Cypriot ships (100) were the lowest since 1968. British arrivals skidded from 26 to 8; UK ships were replaced by Cuban ships in the PRC-Cuban trade and fewer UK tankers were needed in the reduced Cuban-British molasses trade (see Tables 8 and 9).

10. Soviet ships carried more than three-fourths of Cuba's seaborne trade--88% of imports and 46% of exports. Carriage by the Cuban merchant fleet

~~SECRET~~

~~SECRET~~

remained at less than 10%. Cuba's fleet, although expanded in recent years, still consists of only 9 tankers and 58 freighters with a combined tonnage of 486,200 DWT, manned generally by Cuban crews. However, Cuba still lacks experienced merchant marine officers. Use of Soviet officers on some ships, which started again late in 1971, continued through 1972.

Preliminary Assessment for 1973

11. Preliminary data for the first 5 months of 1973 indicate a 5% increase in seaborne trade for the whole year. Imports probably will increase by about 150,000 to 200,000 tons. As for exports, signs point to an improved sugar harvest in 1973, which may make an additional 600,000 tons of sugar available for sale abroad; the USSR may take as much as three-fourths of this increase. Military deliveries likely will continue in the range of 10,000 tons, as the Soviets have delivered only 4,350 tons of military equipment through May.

12. Many Latin American countries are dealing more openly with Cuba than before. For countries that wish to maintain a degree of anonymity, Havana has in the past set up dummy companies in Chile and is reported to be considering similar arrangements with other countries. In this same vein, Cuba's Hong Kong-based Interisland Shipping Company, which handles many of Cuba's used ship purchases, has registered several company ships under flags of convenience. This practice will lessen the concern of potential non-Communist customers who might be apprehensive about Cuban vessels calling at their ports.

13. In March 1973, Caracas engaged empty Soviet oil tankers returning from Cuba to take on Venezuelan crude oil for shipment to Western Europe. The arrangement is economically beneficial to Venezuela and to the Soviet Union whose tankers usually have sailed from Cuba in ballast for more than a decade. This development could be the first step in an eventual sale of Venezuelan crude oil to Cuba.

~~SECRET~~

~~SECRET~~

APPENDIX

Statistical Tables

Table 1

Cuba: Ship Arrivals and Seaborne Trade

	<u>1971</u>		<u>1972</u>		Percentage Change
	Number	Percent	Number	Percent	
Arrivals	1,121	100	1,033	100	-8
Communist	747	67	765	74	2
Soviet	669	60	700	68	5
East European	78	7	65	6	-17
Cuban	133	12	129	12	-3
Non-Communist	241	21	139	14	-42
	Thousand Metric Tons		Thousand Metric Tons		
Volume of trade	17,069		15,651		-8
Imports	11,138	100	11,269	100	1
From Communist countries	9,311	84	9,753	87	5
From non-Communist countries	1,827	16	1,515	13	-17
Exports	5,931	100	4,382	100	-26
To Communist countries	3,181	54	2,281	52	-28
To non-Communist countries	2,750	46	2,101	48	-24

~~SECRET~~

~~SECRET~~

Table 2
Cuba: Seaborne Trade, by Flag of Carrier

	1971		1972		Percentage Change
	Thousand Metric Tons	Percent	Thousand Metric Tons	Percent	
Total trade	17,069		15,651		-8
Imports	11,138	100	11,269	100	1
Communist	9,758	88	10,040	89	3
Soviet	9,657	87	9,944	88	3
East European	102	1	96	1	-6
Cuban	491	4	591	5	20
Non-Communist	889	8	638	6	-28
Exports	5,931	100	4,382	100	-26
Communist	3,130	53	2,513	57	-20
Soviet	2,534	43	2,033	46	-20
East European	596	10	479	11	-20
Cuban	556	9	611	14	10
Non-Communist	2,245	38	1,258	29	-44

~~SECRET~~

~~SECRET~~

Table 3

Cuba: Imports, by Flag and Type of Carrier

	<u>Thousand Metric Tons</u>		Percentage Change
	1971	1972	
Passenger	5	9	80
Soviet	3	1	-67
East European	2	8	300
Dry cargo	4,630	4,384	-5
Communist	3,265	3,217	-2
Soviet	3,165	3,125	-1
East European	100	88	-12
Cuban	476	530	11
Non-Communist	889	638	-28
Tanker	6,504	6,878	6
Soviet	6,489	6,818	5
Cuban	15	60	300
Total	11,138	11,269	1
Communist	9,758	10,040	3
Soviet	9,657	9,944	3
East European	102	96	-6
Cuban	491	591	20
Non-Communist	889	638	-28

~~SECRET~~

~~SECRET~~

Table 4

Cuba: Imports, by Country of Origin

	1971		1972		Percentage Change
	Thousand Metric Tons	Percent of Total	Thousand Metric Tons	Percent of Total	
Total	11,138	100	11,269	100	1
Non-Communist	1,827 ¹	16	1,515 ²	13	-17
Canada	517	5	556	5	8
Western Europe	453	4	285	3	-37
Other	134 ³	1	198 ⁴	2	48
Mexico	79	1	195	2	147
Egypt	508	5	158	1	-69
Japan	71	1	84	1	18
Morocco	64	1	38	Negl.	-41
Communist	9,311	84	9,753	87	5
USSR	8,711	78	9,249	82	6
PRC	301	3	266	2	-12
Eastern Europe	229	2	185	2	-19
North Korea	55	Negl.	42	Negl.	-24
North Vietnam	16	Negl.	10	Negl.	-38

1. Including 906,000 tons shipped on Soviet account: 467,000 tons of crude oil from Egypt, 79,000 tons of corn from Mexico, and 360,000 tons of wheat and flour from Canada.

2. Including 763,627 tons shipped on Soviet account: 99,115 tons of crude oil from Egypt, 33,600 tons of crude oil from Iraq, 151,851 tons of corn from Mexico, and 479,061 tons of wheat and flour from Canada.

3. Including Martinique, Chile, Yugoslavia, Hong Kong, Burma, Congo, Algeria, Syria, Peru, Lebanon, Australia, India, and St. Martins in the Leeward Islands.

4. Including Martinique, Chile, Yugoslavia, Hong Kong, Congo, Algeria, Syria, Peru, Australia, Guinea, Ivory Coast, Brazil, New Zealand, Singapore, Angola, and Mozambique.

~~SECRET~~

~~SECRET~~

Table 5

Cuba: Imports, by Commodity

	<u>Thousand Metric Tons</u>		Percentage Change
	1971	1972	
Total	11,138	11,269	1
Crude oil	4,328	4,464	3
Petroleum products	2,114	2,356	11
Cereals and foodstuffs	1,819 ¹	1,719 ²	-5
Metal products	276	360	30
Fertilizer	647	728	13
Wood products	431	327	-24
Jute	21	10	-52
Chemicals	325	222	-32
Ammonia	12	12	....
Cement	152	57	-62
Military equipment	12	10	-17
General cargo (including vehicles, industrial machinery, and unidenti- fied cargo)	1,001	1,003	Negl.

1. Including 2,400 tons of foodstuffs carried by tanker and excluding 21,659 tons carried on Soviet ships attached to the fishing fleet.

2. Including 41,988 tons of foodstuffs carried by tanker and excluding 11,300 tons carried on Soviet ships attached to the fishing fleet.

~~SECRET~~

~~SECRET~~

Table 6

Cuba: Exports, by Destination and Commodity

Thousand Metric Tons										
	Sugar		Molasses		Ores		General Cargoes ¹		Total	
	1971	1972	1971	1972	1971	1972	1971	1972	1971	1972
Total	4,986	3,628	806	594	55	55	84	106	5,931	4,382
Non-Communist	2,065	1,579	621	450	16	12	48	61	2,750	2,101
Algeria	19	....	....	....	....	....	....	....	19	....
Belgium	1	8	37	....	....	....	....	Negl.	38	8
Brazil	....	8	....	....	....	....	....	....	....	8
Canada	71	30	16	....	....	....	2	4	89	34
Chile	148	173	....	....	....	....	Negl.	....	149	173
Columbia	3	....	....	....	....	....	....	....	3	....
Denmark	....	....	....	....	....	....	....	Negl.	....	Negl.
Egypt	41	....	....	....	....	....	....	....	41	....
Finland	69	16	....	....	....	Negl.	....	....	69	16
France	7	2	....	16	....	....	Negl.	2	8	21
French Territory of the Afars and the Issas	....	....	....	....	....	....	....	Negl.	....	Negl.
Guadaloupe	....	....	....	....	....	....	2	....	2	....
Guinea	....	2	....	....	....	....	....	8	....	10
Hong Kong	10	....	....	....	....	....	....	....	10	....
Iran	....	39	....	....	....	....	....	Negl.	....	39
Iraq	38	16	....	....	1	....	....	....	39	16
Italy	....	11	59	42	9	4	1	3	69	60
Japan	849	822	....	58	....	....	2	5	851	885
Kenya	41	25	....	....	....	....	....	....	41	25
Lebanon	22	15	....	....	....	....	....	....	22	15
Malaysia	133	84	....	....	....	....	....	....	133	84
Malta	2	....	....	....	....	....	....	....	2	....
Martinique	....	....	....	....	....	....	5	2	5	2
Morocco	162	35	....	....	....	....	....	....	162	35
Netherlands	2	12	50	86	3	5	19	11	72	114
Peru	....	....	....	....	....	....	1	....	1	....
Saudi Arabia	....	....	....	....	....	....	....	2	....	2
Senegal	6	....	....	....	....	....	....	....	6	....
Sierra Leone	....	1	....	....	....	....	....	....	....	1
Singapore	50	12	....	....	....	....	....	....	50	12
Spain ²	61	80	....	10	1	3	15	15	76	108
Sri Lanka	21	....	....	....	....	....	....	....	21	....
Sudan	34	....	....	....	....	....	....	....	34	....

~~SECRET~~

~~SECRET~~

Table 6
Cuba: Exports, by Destination and Commodity
(Continued)

Thousand Metric Tons										
	Sugar		Molasses		Ores		General Cargoes ¹		Total	
	1971	1972	1971	1972	1971	1972	1971	1972	1971	1972
Sweden	48	42	20	18	....	....	Negl.	Negl.	69	60
Switzerland	....	Negl.	....	....	Negl.	....	....	Negl.	Negl.	Negl.
Syria	95	100	....	....	....	....	....	....	95	100
United Kingdom	50	13	316	116	....	....	Negl.	....	366	129
West Germany	14	....	123	86	....	....	1	....	138	86
Western Europe (unidentified)	....	....	....	18	....	Negl.	....	3	....	22
Yemen	....	8	....	....	....	....	....	4	....	12
Yugoslavia	69	25	....	....	2	....	....	....	71	25
Communist	2,922	2,049	185	144	39	42	35	45	3,181	2,281
Albania	38	14	....	....	Negl.	....	Negl.	....	39	14
Bulgaria	204	149	140	98	....	....	....	Negl.	344	247
PRC	427	278	....	....	2	2	Negl.	....	430	281
Czechoslovakia	184	69	....	....	1	4	1	3	186	76
East Germany	236	160	....	....	Negl.	1	10	19	246	180
Hungary	23	3	....	....	1	....	1	1	25	4
North Korea	177	101	....	....	1	Negl.	Negl.	Negl.	178	102
North Vietnam	82	59	....	....	....	....	1	Negl.	83	59
Poland	43	113	....	....	2	1	3	5	49	119
Romania	109	60	45	35	Negl.	....	....	....	154	95
USSR	1,400	1,040	....	12	32	34	18	16	1,449	1,102

1. Including fruit, tobacco, rum and other liquors, cement, and unidentified exports.

2. Including the Canary Islands.

~~SECRET~~

~~SECRET~~

Table 7

Cuba: Exports of Sugar, by Destination

	1971		1972		Percentage Change
	Thousand Metric Tons	Percent	Thousand Metric Tons	Percent	
Total	4,986	100	3,628	100	-27
Communist countries	2,922	59	2,049	56	-30
USSR	1,400	28	1,040	29	-26
PRC	427	9	278	8	-35
Other	1,095	22	731	20	-33
Non-Communist countries	2,065	41	1,579	44	-24

Table 8

Cuba: Ship Arrivals
by Flag and Type of Ship

	1971	1972
Passenger	11	15
Soviet	8	8
East European	3	7
Dry cargo	829	742
Communist	489	496
Soviet	415	442
East European	74	54
Cuban	132	124
Non-Communist	208	122
Tanker	281	276
Soviet	246	250
East European	1	4
Cuban	1	5
Non-Communist	33	17
Total	1,121	1,033
Communist	747	765
Soviet	669	700
East European	78	65
Cuban	133	129
Non-Communist	241	139

~~SECRET~~

~~SECRET~~

Table 9

Cuba: Non-Communist and East European
Ship Arrivals, by Flag

	1971	1972
Total	319	204
Non-Communist	241	139
British	26	8
Cypriot	182	100
Danish	....	....
Finnish	....	....
French	2	1
Greek	1	....
Italian	9	....
Lebanese	....	....
Maltese	....	....
Moroccan	....	1
Netherlands	....	9
Singaporean	1	2
Somalian	10	9
Yugoslav	10	9
East European	78	65
Albanian	1	1
Bulgarian	16	19
Czechoslovak	19	11
East German	37	34
Polish	5	....

~~SECRET~~